

# THE GARDEN STATE



Newark's Farmers' Market in Chapel St. (above) and the Trenton farmer-owned Retail Market in Spruce St. (below) are two of the outlets for disposing dairy, vegetable, fruit and nursery products.



## VARIETY in MARKETS

*Sales Outlets a Complex Problem for Jersey Farmers Strategically Located in a Region of 45 Million Consumers*

AGRICULTURAL seers said it this way in the 18th century: "He who causes two blades of grass to grow where only one grew before is a benefactor to the human race."

That's perfectly valid in mid-20th century. After all, half the world is still starving despite the high calorie intake of the average American. Yet, at midcentury, the real problem for this country's farmer is not doubling his production but rather selling at a profit what he produces.

Science has long since made it possible for almost any farmer to grow

two blades of grass—or ears of corn or bushels of tomatoes—where one grew before. Today marketing, not production, is the chief farm frontier, since the farmer who grows two blades of grass—and sells only one—is hardly benefiting anyone. Particularly is he not benefiting that part of the human race which is himself.

MARKETING problems in New Jersey have been thrown into sharp focus in recent months, notably among the poultry and dairy farmers—the two major segments of the state's farm

economy. Sagging egg prices caused many poultry farmers to cry in anguish through most of 1954. In February of this year the milk marketing situation in the state approached the chaos which many have seen coming for years.

There are no easy solutions to marketing problems, even in a state like New Jersey, set in the heart of the nation's most densely populated region. It would seem that all those millions of mouths to feed would simplify marketing greatly. Instead, the problem is magnified. Other areas of the nation and the world knew good markets, too—and they're willing to fight aggressively for the New York-Philadelphia food dollars.

As if that ever-increased competition wasn't enough, the farmer must also try to reckon with the fickle

tastes of the consumer. It has been estimated that in one year a family of four buys and eats three tons of food. Whether buyers select asparagus or avocados, milk or frozen orange juice, bread or strawberries, they are helping farmers. Of course, if they select such as avocados or orange juice, they are not helping New Jersey farmers.

MEANWHILE, the consumer gets all kinds of high-pressure advice on what and how to eat—very little of it unbiased. There is a tremendous scrap on for the food money. Every modern weapon is tossed at the buyer—limericks, jingles, puzzles, giveaways, pretty girls, sports celebrities and occasionally even straight information. The fight is intrastate, it's interstate, it's international.

*This is the eighteenth in a series of articles by John T. Cunningham on New Jersey's highly diversified agriculture, vigorous and growing despite the constant inroads of industrial and residential development. Next week: Farm Youth.*





All of this is relatively new—not much more than three decades old in some products, not much more than 75 years old in any product not lending itself to salting or drying. Rapid transportation and refrigeration are the two chief reasons why New Jersey farmers can no longer say smugly to themselves: "Well, anyway, we can always sell in New York or Philadelphia."

Markets are as old as the first man who grew more than his family could eat. Robert Treat and associates established a market soon after their arrival in Newark in 1666; Burlington had a weekly market in 1681, Salem in 1682, Perth Amboy in 1686. Other town markets followed—rare is the 1955 city without a "Market St." reminder of those old days.

New Jersey farmers were among the first to learn the secrets of how to grow two blades of grass where one grew before; by 1725 the state's farmers had well-established sales outlets in New York and Philadelphia. Some went so far as to call New Jersey "the most prolific province of and in North America."

**T**RANSPORTATION improved with painful slowness. At first only the creeks and rivers linked grower and markets. Then, in 1801, an era of turnpike building started in New Jersey and farm wagons creaked overland to city markets. Opening of the Morris Canal in 1831 and the Delaware & Raritan Canal in 1834 furnished new avenues for towing farm produce to New York and Philadelphia.

Railroads reached out to more remote districts between 1832 and 1875. Now the farmer really had splendid markets. The new rapid transportation encouraged the output of such perishables as milk, vegetables and

fruit; the farmer began to specialize—to point at a specific clientele.

Everything snowballed. Railroads brought industry to the state, industry brought in people. People ate. Farmers produced more. The good supply of food helped attract more industries, more people, more appetites. The New Jersey farmer who couldn't sell his produce had something inedible indeed. But, for the first time, the Garden State grower knew stern competition. Railroads also brought farmers a thousand miles away within a day or two of New York and Philadelphia doorsteps.

**S**PLITS and seams began to appear in the wall Eastern farmers had built in their minds to keep New York and Philadelphia markets to themselves. World War I, with its huge demands for food, temporarily put a finger in the dike and kept the flood back beyond the imaginary wall. Inevitably, however, great gaping holes appeared as a depression struck farmers in the 1920s.

Even as depression rolled over the farms the motor truck came of age and gave the farmer both new opportunity and new problems in marketing. By 1925 less than half of New Jersey produce went to market by rail, by 1928 that had dropped to less than 20 per cent and today very little Garden State farm produce goes to market via the railroads. Trucks gave farmers faster and cheaper service, but they also proved horse-and-buggy ways of marketing were archaic in a motorized age.

Marketing in New Jersey today is probably the most complex arrangement in the nation—mainly because wonderful markets are so close. That seems paradoxical, yet the very nearness of those markets and the great variety of New Jersey farm products make it almost impossible to pin



Other farm-to-consumer examples—Burton H. Roberts of Riverton, a buyer, inspects purchase of Jersey asparagus with Manager John L. Womack of Swedesboro Auction Market, where asparagus is the main item in spring. **LEFT:** Buyers bidding on crate of strawberries at Cedarville Produce Auction Market, a cooperative organized by farmers in 1928. **BELOW:** Roadside stand on Route 35 in Keyport.



down exact methods of selling used by the state farmers.

**H**ERE is how the New Jersey farmer sells his milk and eggs and vegetables and tomatoes and fruit and flowers and nursery stock and the dozens of other things he produces:

He sells through cooperatives, through brokers, through commission merchants, through country buyers. He peddles door to door. People come to his chicken house. He has a roadside stand. He drives his truck to city markets. He sends out catalogues. He sells to chain stores and to neighborhood retail stores. He sells to hotels. He signs a contract to deliver his tomatoes or asparagus or lima beans to a food processor. He takes his produce to the Farmers' Market in Newark or to farmer-owned retail markets such as the new one in Trenton.

In short, he sells so many things in so many ways that in New Jersey one man's markets are another man's mystery.

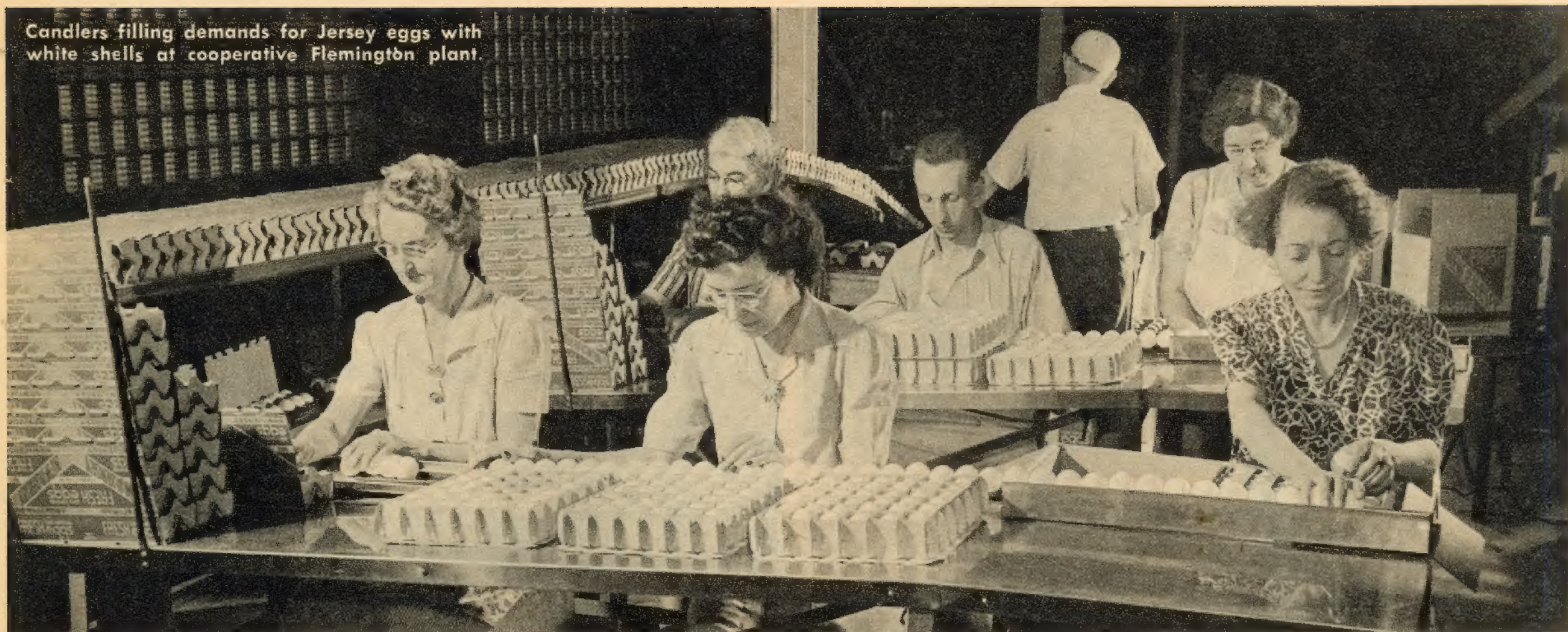
**M**ARKETING is more than mere sales outlets. Indeed, marketing can be said to begin at the very moment a farmer selects a variety of seed, a type of chick or a breed of cattle. Chickens are a splendid example. Practically all customers for New Jersey eggs demand white shells. The successful farmer therefore chooses White Leghorns; if a farmer developed a chicken capable of laying two brown-shelled eggs a day he might even find his new bird had more value in this state as a curiosity than as a profit producer.

There are many more examples. More than 75 per cent of all tomatoes

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Candlers filling demands for Jersey eggs with white shells at cooperative Flemington plant.



## JERSEY FARM PRODUCTS

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grown in New Jersey are the Rutgers variety; that's what processors want. Most New Jersey dairy cattle are Holsteins; they give more milk. Peach growers plant several varieties which spread the picking season over many weeks, to make a longer marketing period.

Marketing also is tied closely to farm practices, since ample fertilizer and irrigation and insecticides mean high quality—and quality still pays off in premium prices. That pertains no matter how or where the product is sold. Nearly all farmers are aware of this; rare is the New Jersey farmer who doesn't aim at a quality product.

**O**DDLY enough, it took stern regulation to make the farmer recognize the value of quality. As soon as trade gets beyond simple barter it requires standards—of weight, of size, of price, of quality. Nevertheless, just because trade gets beyond simple barter doesn't mean that the haggling and the chiseling and the sharp practices stop on the part of both buyer and seller.

Progressive New Jersey farm leaders of the late 19th and early 20th centuries constantly urged their less well-intentioned colleagues to desist from sharp practices. They cried out against "stovepipe" packing (in which, for example, poor potatoes were poured into the middle of a sack and surrounded by good spuds). They warned against "topping" fruit baskets with fresh-cheeked apples to disguise worm-eaten fruit. They warned against shipping dirty, unattractive packages to market.

The New Jersey Department of Agriculture concerned itself with improved marketing standards immediately after its founding in 1916. It sought to bring farmers and commission merchants together between 1918 and 1925 to set up codes of conduct

valuable to both. It constantly tried to convince all concerned that New Jersey farmers served to gain tremendously if they could establish a shining reputation for Garden State products.

**D**EPARTMENT of Agriculture missionaries pointed to good examples. They preached about the Vineland farmers who started grading eggs in 1908 and thereby got better prices for their eggs. They told how tomatoes packed uniformly in Georgia peach baskets in 1916 brought prices 50 per cent higher than those packed shoddily. They recited the experience of Mercer County potato growers who started to use U.S. Department of Agriculture grades in 1917 and raised their income 16 per cent.

Grading establishes a simple language between buyer and seller, and both farmers and buyers gradually began to learn the language after New Jersey established voluntary grading standards in 1921. Large-scale inspection by Department of Agriculture inspectors started in 1929 when 9,000 tons of cannery-bound tomatoes were graded. Today, with more than 200,000 tons of tomatoes inspected annually, grading is the very backbone of farmer-processor tomato contracts.

Asparagus is second to tomatoes as far as grading is concerned, with more than 53 million pounds now inspected every year. In all, there are 24 standards for New Jersey fruits and vegetables, and calls for Department of Agriculture inspection now total more than 15,000 annually. All such inspections, incidentally, are on a fee basis with growers or wholesale buyers footing the bill.

**H**AVING established grade standards, the Department of Agriculture's marketing division extended its aid in other directions. It promoted

farmer markets in the cities, it compiled market information and distributed it to farmers in weekly bulletins. It ran a marketing train over the Jersey Central Railroad in 1927 and 1928, demonstrating egg candling, packing, and improved marketing techniques.

Above all, the department in concert with the Agricultural Extension Service helped spur interest in cooperative selling ventures. Cooperative marketing in New Jersey dated back to the mid-19th century. The nation's first cooperative association for marketing fruits and vegetables started in Hammonton in 1867 and continued until 1897 as the Fruit Growers' Union and Cooperative Society. Several cooperative dairy groups sprang up in Sussex and Warren counties before 1900.

Despite the earlier beginnings, cooperative selling pushed down its deepest roots during the agricultural depression which tightened between 1925 and 1935. Auction selling, wherein farmers bring their commodities to a central point and sell them to the highest bidder, started in New Jersey in May, 1928, when two groups of fruit and vegetable farmers opened cooperative auctions at Cedarville and Rosenhayn in Cumberland County. The deepening depression spurred other farmer groups—particularly after they heard what had happened at Cedarville and Rosenhayn. In 1928 Cedarville showed income of \$30,000, in 1929 that had jumped to \$48,000. Rosenhayn made \$21,000 in 1928, \$12,000 in 1929.

**B**Y 1941 cooperative auction markets served 10 south Jersey counties, had risen from two markets selling 160,000 packages to 10 markets selling four million packages annually. Today the state has nine fruit and vegetable auction markets, in Cedarville, Hammonton, Landisville, Glassboro, Vineland, Beverly, Hightstown, Pedricktown and Swedesboro. Sales annually run between eight million and nine million dollars.

Quickly egg dealers recognized a

good thing, too. The story of egg auctions has been told in a previous article, but let it be recalled that the first successful egg auction market started at Flemington in 1930. Now there are egg auctions at Flemington, Hackettstown, Hightstown, Mount Holly, Paterson and Vineland—handling some 40 million dozen eggs annually (worth nearly 19 million dollars at 1954 prices) plus \$1,240,000 worth of poultry.

This sort of thing sets men to thinking. In 1935 such a man wondered if he might sell two small pigs at Flemington auction. He could, and did. Now Flemington Auction market sells some \$800,000 worth of livestock every year and that success has led to establishment of a bigger livestock auction at Hackettstown (sales of \$2,240,000 last year) and a smaller one at Mount Holly (\$75,000 in sales in 1954).

**A**UCTION selling did more than bring in additional money for the farmer, not that any farmer (or his city cousin) would sneer at that. Above all, the auctions provided a visual education since they set fruits and vegetables of one farmer side by side with those of his neighbors and competitors. It took no imagination at all to see why a quality pack brought more money than a dirty, careless pack. Farmers came to recognize that marketing was every bit as important as growing.

Buyers, at first stubborn or outright hostile, changed their minds, too. Buyers have found the auctions provide them with quantities of excellent produce, since careful inspection has considerably raised the level of the pack. Moreover, auctions permit by-passing New York or Philadelphia wholesale markets. Now a buyer from, say, Elmira, N.Y., or Germantown, Pa., can buy at auction and truck directly to his customers without the time and expense of going through New York. That, of course, also means better quality and fresher produce for consumers.





This is how Garden State eggs were brought to market in horseless carriage days. Now "Jersey eggs" are protected every step of the way by cooling, humidification of atmosphere and safe packaging. RIGHT: Sussex farmer sells peaches and apples direct to retailer.



Although auction markets are one of the more interesting facets of New Jersey marketing, they are just a scratching of the surface. After all, this state's farmers wholesale some 400 million dollars' worth of agricultural products every year. Ever increasing amounts of that go to fill needs of chain stores, the marketing phenomenon of the 20th century.

ONCE retail food outlets bought a great deal at wholesale markets and farmers' markets. Now there is a trend toward direct selling and buying between farmer and chain store representative, again saving handling costs and giving better prices to the farmer willing to produce quality merchandise. Similarly, many large hotels along the shore deal directly with small groups of farmers or buy through farmer-controlled wholesale markets.

There is much evidence to indicate that where farmers cooperate they find marketing is both easier and more profitable. Many examples of this exist in New Jersey. Cranberry and blueberry growers have excellent cooperative organizations. Peach and apple growers have well-developed marketing associations in Freehold and Riverton. Several egg cooperatives have been started, a prime example being the Jersey Jill group in Toms River. Sweet potato growers have found value in cooperation.

Cooperative marketing ventures are distinguished by several features. They have a central office where wholesale buyers can arrange purchases. For example: If a chain store wants a large shipment of apples, it can call at one of the fruit cooperatives in Freehold or Riverton. Apples are not stored at either of those places; rather, the order goes out to individual farms and they ship directly to the chain store warehouse.

Often cooperative marketing groups have their own storage houses, with sweet potato growers being a good

example. Often they establish a brand name (FAMOUS eggs, Jersey Jill eggs, Eatmor cranberries, Ocean Spray cranberry sauce, Tru-Blue blueberries, Panther sweet potatoes and so on). Usually they undertake a good, solid program of promotion. They assure the farmer of as good a price as possible and they assure the buyer of top quality.

THE serious viewer, impressed by examples of cooperative action, can't help but wonder if some facets of New Jersey agriculture haven't been overlooking the merits of cooperative selling. There is, as one instance, evidence that the dairy farmers' plight may be due to the fact that for years they have paid far more attention to production than to marketing. Potato growers until recently failed miserably to counteract propaganda that despised the spud as a fat-boy item.

There is room for wonderment, too, on why New Jersey labels are not more prominently used. Certainly "Jersey" has long been a symbol of freshness and quality in city thinking, possibly because New Yorkers have long looked upon New Jersey as a rural stretch somewhere between Manhattan's Broadway and Philadelphia's Broad St. Why then, aren't there more "Jersey" labels?

Agriculture leaders have some answers. For one thing, there are laws which forbid use of the state seal or an outline of the state if the commodity does not meet rigid state standards. That's to the good, of course; a label is no good without quality. For another thing, many wholesale purchasers have no interest in a Jersey label; Jersey-California-Indiana, makes no difference if somebody buys it. Then, too, chain stores buy New Jersey commodities and pack them in their own cases and boxes under their own brand names. Perhaps at the bottom of the whole matter is the notorious lack of pride too many Jerseyans have in their state.

THERE are encouraging signs that New Jersey agricultural promotion is on the rise. Vigorous leadership is being provided by the State Department of Agriculture and the New Jersey Experiment Station and Extension Service at Rutgers, although unfortunately the state budget for agricultural promotion is meager. Farm groups have begun to build up their own promotion budgets, however, and have started to battle for the consumer dollar.

New Jersey is smack in the center of a region in which live 45 million consumers—29 per cent of the nation's population. Here living standards are the highest in the world. These things are both the blessing and the curse of those who study the marketing techniques of the New Jersey farmer. Marketing can't be pinned down as exactly as it might be in a Midwest state, 1,500 miles from mass markets. There the marketing situation is cut and dried: farmers must get together, standardize their merchandise, ship it to New York on the heels of a promotion campaign.

Here in New Jersey the farmer chooses any method of selling what he likes at the moment. Take a single commodity like sweet corn. He may market it at auction or sell it directly to a chain store. He may take it to New York or Philadelphia or Newark to sell on commission or he may sell it to a country buyer who comes around with a refrigerated truck. He may have a route where he sells his corn to a string of small stores or, as so many Burlington County farmers do, he may pull the corn in predawn hours and truck it to stores where it is sold sugar-fresh the same day.

THE sweet corn farmer may also sell his ears at a roadside stand—his own or someone else's. Today New Jersey has some 2,000 roadside stands of all sizes and shapes doing an estimated annual business of 11 million dollars. Roadside stands are a familiar item

on heavily traveled roads leading to and from the shore, in heavily populated northeast Jersey and on busy highways between Trenton and Camden.

The closer the farmer can get to the retail buyer the better his income. Thus the roadside vegetable and fruit stand can be a good money producer, and so can the egg route or the door-to-door milk delivery. It cuts down overhead and eliminates middle-man profits, but it takes time and salesmanship. Unfortunately, marketing in this day and age is too complex to permit much of this; as soon as a farm gets large the farmer must leave marketing to the specialists.

Modern methods of transportation and food preservation have robbed the New Jersey farmer of some of his advantage in the burgeoning New York and Philadelphia market areas, but it's still a fact that early lettuce, early strawberries, early peaches or many other first-to-appear commodities can command premium prices. In addition, New Jersey farmers can deliver peaches with the tree-ripened bloom on their cheeks, sweet corn with the dew on its tassels, strawberries with the rich redness of the sun upon them.

RESEARCH is vital in marketing, too. Rutgers, working with individual farmers and with grower groups, has fostered studies leading to better tasting, better looking—and more readily sold—farm produce. Its studies in cooling, varieties, storage, packaging and marketing techniques have proved valuable to all New Jersey farmers who want to sell what they grow.

There yet is much to be done. As land values go up and up in the state, as taxes and labor costs rise, the intensive farmer grows not two but four or six blades of grass where one grew before. That frontier is behind; ahead is the pioneer land of marketing—where the signposts are often vague, where there may be much undiscovered gold in them thar hills.